

# Bakery Houses - China - May 2021

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## This report looks at the following areas:

- What does the market landscape look like and how long will it take to recover to pre-COVID levels and what does the future competition look like?
- What brands are winning and losing market share?
- How have consumption habits changed following the outbreak?
- What triggers are most likely to justify higher spending?
- How do bakery houses differentiate, both in terms of product and service, to stay ahead of the market?

Consumers are blurring the line between fresh and short shelf-life packaged bakery products. This is particularly true at O2O retailers as 32% of respondents have bought fresh unsealed bakery while 39% have bought short shelf-life packaged bakery at this channel.

As explained above, therefore, fresh bakeries need to take heed of the rise of O2O retailers, which satisfy diverse consumer needs and boast high accessibility, strong online capacities and resilient supply network. Nevertheless, it doesn't mean it's the doomsday for the market as bakery houses can reasonably leverage the inherent advantage in providing services to create memorable dining experiences and increase consumer attachment and thus retention purchases.



"The battlefield for fresh bakeries has expanded since COVID-19 has shifted consumers to the O2O retailers that are able to offer fresh and quality packaged bakery as well. Bakery houses need to leverage the inherent edge in premiumising products with functional ingredients and drive more consumption occasions for meals and snacking. In addition, providing value-added services can increase

Attachment and showcase  
**Buy this report now**  
 uniqueness within this  
 Visit [store.mintel.com](https://store.mintel.com)  
 competitive market" – **Wen**  
 J., Research Analyst

EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

## Table of Contents

### OVERVIEW

- What you need to know
- Key issues covered in this Report
- Covered in this Report

### EXECUTIVE SUMMARY

- **The market**
- **The market needs two years to buffer out the disruption**  
Figure 1: Central forecast for value sales of bakery houses, 2015–2025
- **Volume shrank to a total outlet number of around 450,000**  
Figure 2: Change in the number of bakery houses, 2019–2020  
Figure 3: Top ten cities by the number of bakery houses, 2020
- **Companies and brands**
- **Fragmented market with leading players scrambling to secure concentration**  
Figure 4: Store numbers & volume share of the leading bakery house brands, 2019–2020
- **Sight attraction prompts bakery houses to spruce up differently**
- **Novel dairy products and plant-based ingredients pick up the trends**
- **The consumer**
- **Fixed channel selection with an exception of O2O retailers**  
Figure 5: Purchase channel, 2020–21
- **Fresh bakery dabbles in a bigger market to compete**  
Figure 6: Product preference at different channels, February 2021
- **Wide compatibility with various occasions**  
Figure 7: Consumption occasion, February 2021
- **Distinctive perceptions hint usage segmentation**  
Figure 8: Product perception, February 2021
- **Quality ingredients with functional perks able to justify high price**  
Figure 9: Premiumisation trigger, February 2021
- **Behavioural difference suggests specialised trajectory for specialty and comprehensive bakery houses**  
Figure 10: Attitudes towards bakery products and bakery houses, by “I prefer bakery houses that sell specialty products over those that sell a wide range of products”, February 2021

### What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

### Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Figure 11: Attitudes towards bakery products and bakery houses, by "I prefer bakery houses that sell specialty products over those that sell a wide range of products", February 2021

- **What we think**

## ISSUES AND INSIGHTS

- **Bakery houses upgrade their menus to stretch into holistic meal offering**
- **The facts**
- **The implications**
- **Enhance bakery houses' function in "service" and intensify brand awareness to differentiate**

- **The facts**
- **The implications**

Figure 12: DIY toast painting at POSTERN

Figure 13: Self-toasting toast at Our Bakery

- **Specialty bakery houses need to stay exuberantly proactive to survive**
- **The facts**
- **The implications**

Figure 14: Collaborative toast between Daddy Sweetie and Hema

Figure 15: Saturn bird's coffee box recycling program

## THE MARKET – WHAT YOU NEED TO KNOW

- **Shattered market will rebound to the pre-COVID level in the next two years**
- **Fresh bakery's competition landscape broadens**
- **Bakery houses look at additional revenue pathways**

## MARKET SIZE AND FORECAST

- **COVID-19 magnified the challenges for the industry**

Figure 16: Central forecast for value sales of bakery houses, 2015–2025

- **The number of eliminated stores overtakes the new one**

Figure 17: Change in the number of bakery houses, 2019–2020

Figure 18: Top ten cities by the number of bakery houses, 2020

## MARKET FACTORS

- **Short shelf-life packaged bakery poses a threat and hints transformation for fresh bakery**

Figure 19: Hema's Freshippo Bakery

- **Bakery houses experiment with different side offerings, exploring new revenue streams**

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

## Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Figure 20: Lady Pineapple's brunch offering

Figure 21: Sunflour's brunch and gelato offerings

Figure 22: Paris Baguette's lactobacillus tea drinks

- **Rising home baking brings mixed news**
- **Functionality and nutrition are the key to premiumisation**

## KEY PLAYERS – WHAT YOU NEED TO KNOW

- **Dominant brands have secured consolidation**
- **Bakery houses use different styles to pique interest**
- **Novel dairy products applied to bakery**

## MARKET SHARE

- **Holiland contributed the most to leading players' consolidation**

Figure 23: Store numbers & volume share of the leading bakery house brands, 2019-2020

## MARKETING STRATEGIES

- **Highlight nutritional add-ins to appeal to health-conscious consumers**

Figure 24: Short shelf-life packaged bakery from Hema daily fresh product line

- **Bakery houses of unique ornamental styles resonate among consumers**

Figure 25: Bakery houses of nostalgic style

Figure 26: Japanese-style bakery houses

Figure 27: Examples of representative Japanese bakeries

- **Sustainable disposal of leftover bakery convinces consumers of freshness and environmental awareness**

Figure 28: Free overnight bakery giveaway at Whole Wheat

Figure 29: Buy one and get one for free after 5 pm at Da Giuliano

## NEW PRODUCT TRENDS

- **Upgraded menu of Chinese- and Western-styled bakery foods**

Figure 30: Examples of bakery houses' Chinese-style bakery/pastry offerings

- **Fermented and plant-based dairy witnesses a rise of usage in bakery**

Figure 31: Examples of bakery products containing fermented dairy ingredients

Figure 32: Oat milk toast from Tous Les Jours & Oatly

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

## Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

- **Products of regional traits hook consumers favouring exoticness**

Figure 33: Examples of bakery products of regional traits

- **Bakery houses dabble in packaged bakery offering to replicate fresh bakery eating experience**

Figure 34: Uncle.Z Bakery's online store on Taobao & WeChat

Figure 35: Collaborative toast between Daddy Sweetie and Hema

## THE CONSUMER – WHAT YOU NEED TO KNOW

- **O2O channels cast a revolutionary impact of fresh bakery purchase**
- **Compatibility of bakery products gets further ramped up**
- **Fortified nutrients have the best shot at triggering higher spending**

## PURCHASE CHANNEL

- **Established bakery consumption habits in the post-COVID-19 era**

Figure 36: Purchase channel, 2020–2021

- **O2O retailers squeezing the shares of fresh bakery**

Figure 37: Consumption incidence gap in the listed channels, 2020–2021

- **Growing acceptance means abundant interest and exploration while low loyalty**

Figure 38: Purchase channel of bakery products – repertoire analysis, February 2021 & February 2020

## PRODUCT PREFERENCE AT DIFFERENT CHANNELS

- **Blurred boundary between fresh and packaged bakery products**

Figure 39: Product preference at different channels, February 2021

- **Unconventional buyers at bakery chains and O2O retailers**

Figure 40: Product preference at bakery chains – “short shelf-life packaged bakery products”, by gender and age and by marital status, February 2021

Figure 41: product preference at O2O retailers – “fresh unsealed bakery products”, by gender and age and by marital status, February 2021

## CONSUMPTION OCCASION

- **Diverse usage of bakery products**

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

## Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 42: Consumption occasion, February 2021

- **Breakfast bakery eaters fall for “additional” instead of “minus” claims**

Figure 43: Premiumisation trigger, by consumption occasion – “have had bakery products for breakfast”, February 2021

Figure 44: Consumption trends, by consumption occasion – “have had bakery products for breakfast”, February 2021

Figure 45: Consumption trends – “eaten more or about the same”, gap between those who have had bakery products for breakfast and those who haven’t, February 2021

- **Bakery products applied to more consumption occasions**

Figure 46: Consumption occasion – repertoire analysis, February 2021 & February 2020

## PRODUCT PERCEPTION

- **Toast can become a staple alternative while tarts and Swiss roll leverage indulgence**

Figure 47: Product perception, February 2021

- **Hard bread and cake are polarised in specific perceptions**
- **Mid-aged females & high income earners credit hard bread for healthy**

Figure 48: Product perception – “hard bread is healthy”, by gender and age & monthly personal income, February 2021

- **Mid-aged consumers & families with kids think cake is satiable in particular**

Figure 49: Product perception – “cake is satiable”, by age & marital status, February 2021

## PREMIUMISATION TRIGGER

- **Resort to ingredients and thereby “additional” claims to premiumise and differentiate**

Figure 50: Premiumisation trigger, February 2021

- **Mid-aged consumers focus on ingredients while young consumers are flavour-/display-driven**

Figure 51: Premiumisation trigger, by age, February 2021

## ATTITUDES TOWARDS BAKERY PRODUCTS AND BAKERY HOUSES

- **Well-educated domestic bakery consumers with distinctive features**

Figure 52: Attitudes towards bakery products and bakery houses, February 2021

- **Attitudinal divergence between specialty store- and comprehensive store-oriented consumers**

## What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

## Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world’s leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

## Buy this report now

Visit	store.mintel.com
EMEA	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

## Bakery Houses - China - May 2021

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



Figure 53: Attitudes towards bakery products and bakery houses, by "I prefer bakery houses that sell specialty products over those that sell a wide range of products", February 2021

Figure 54: Attitudes towards bakery products and bakery houses, by "I prefer bakery houses that sell specialty products over those that sell a wide range of products", February 2021

### APPENDIX – MARKET SIZE AND FORECAST

Figure 55: Forecast for value sales of bakery houses, China, 2015-2025

### APPENDIX – METHODOLOGY AND ABBREVIATIONS

- **Methodology**
- **Abbreviations**

### What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

### Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

### Buy this report now

Visit [store.mintel.com](https://store.mintel.com)

EMEA +44 (0) 20 7606 4533

Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100



## About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.